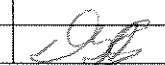


DEPT OF ADMINISTRATIVE SERVICE Policies and Procedures DIVISION OF FACILITIES CONSTRUCTION AND MANAGEMENT	Ref	Page 1 of 2
	Effective Date February 13, 2008	Revision Date
SUBJECT: Architect/Engineer Fees		

I. PURPOSE

To provide a standard for reasonable A/E fee structure on state projects.

II. BACKGROUND

State procurement statute requires that professional services be selected based on an RFP method or direct award for smaller projects. In both cases, the fee cannot be used to determine the selection. A standard is required to ensure that reasonable fees are negotiated for awarded work. This policy updates earlier standards with additional clarity.

III. POLICY

DFCM Project Managers shall employ this standard for negotiation of future Architect/Engineering Fees. An exception to this standard can be obtained by the DFCM director in writing.

IV. PROCEDURES

- A. Fees should be established with the individual project criteria in mind.
- B. An individual project may have complex scopes of work different from the typical project in Utah's marketplace. Careful consideration shall be given to the project complexity issues.
- C. The base fee in the attached fee table represents maximum fee allowed for full service on a typical project. The complexity addition is a range permitted to cover additional consultant services beyond what is normally included in a project, which is defined in IV.G. of this policy. The table fees will be used as a basis of negotiation for the Design Agreement.
- D. Percentage fees generally decline as construction dollars increase. Thus, smaller projects will probably have higher percentage fees than larger projects.
- E. The attached fee table separates projects depending on New Construction or Remodel/Improvement. Some projects may be combinations of both types of construction, which would then require the application of both tables for the appropriate share of the project.
- F. The DFCM employs prototypical site adaptation designs that are owned by the state, and may require code compliance updating or revisions in order to apply successfully to a particular site. In this case, the fee table does not apply, and the negotiated fee should be broken down into specific tasks and unit costs for

evaluation. It is expected that the use of prototypical designs will result in a final fee that is significantly less for the project size indicated on the fee table.

G. Fee Structure Target Model:

Expected fee range 4.75% to 9.25% as outlined the fee table

Basic Services as a percentage of fee

Architectural	=	60%
Structural Engineering	=	12%
Mechanical Engineering	=	15%
Electrical Engineering	=	10%
Civil Engineering/Landscaping	=	3%

Special Services (Complexity Addition)

Audio/Visual System Design

Acoustical or other special analysis

Surveys

Security System Design

Laboratory Consultant

High Performance Building Rating System Compliance

USGBC LEED Compliance

Geotechnical Study

Interior Design

Furniture Design

Etc.

Direct and Reimbursable Costs

Travel Expenses (Expenses only, not hourly work rates)

Printing Costs beyond what is specified in Attachment A (with prior DFCM approval)

- H. A final negotiated fee proposal from the A/E should include a list of tasks that correspond with the design submittals required for the project and amount of fee associated with that scope of work. Fee rates for the architect, assigned staff, and engineering disciplines shall be provided. Additionally, the proposal shall include fee proposals from the respective engineers on their company letterhead.
- I. A/E services for CM/GC projects is slightly different from the standard full service described above, in that cost estimates are to be provided by CM/GC and meeting minute management through the construction period is provided by the CM/GC. A cost reduction for not providing these services should be realized in relation to the rate table.

DFCM Fee Schedule For A/E Services

New Construction Projects

Construction Budget	Basic Fee	Complexity Addition	Maximum Fee
\$0 - \$500,000	6.75%	0% to 2.5%	9.25%
\$500,000 - \$3 million	6.5%	0% to 2.5%	9.0%
\$3 million - \$5 million	6.25%	0% to 2.5%	8.75%
\$5 million - \$8 million	6.0%	0% to 2.5%	8.5%
\$8 million - \$12 million	5.75%	0% to 2.5%	8.25%
\$12 million - \$18 million	5.5%	0% to 2%	7.5%
\$18 million - \$25 million	5.25%	0% to 2%	7.25%
\$25 million - \$35 million	5.0%	0% to 2%	7.0%
\$35 million & Above	4.75%	0% to 2%	6.75%

Remodel/Improvement Projects

Construction Budget	Basic Fee	Complexity Addition	Maximum Fee
\$0 - \$300,000	8.25%	0% - 1%	9.25%
\$300,000 - \$500,000	8.0%	0% - 1%	9.0%
\$500,000 - \$750,000	7.75%	0% - 1%	8.75%
\$750,000 - \$1 million	7.5%	0% - .75%	8.25%
\$1 million - \$1.25 million	7.25%	0% - .75%	8.0%
\$1.25 million - \$1.5 million	7.0%	0% - .75%	7.75%
\$1.5 million - \$2 million	6.75%	0% - .75%	7.5%
\$2 million - \$3 million	6.5%	0% - .5%	7.0%
\$3 million - \$5 million	6.25%	0% - .5%	6.75%
\$5 million - \$8 million	6.0%	0% - .5%	6.5%
\$8 million - \$12 million	5.75%	0% - .5%	6.25%

Fee Addition For Complexity Require Supervisor's Approval

Fees Above The Maximum Require Director's Approval